



Greenwood County

Policies and Procedures

Title: Special Tax Districts	Number: 10.5	Page: 1 of 4
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This policy supersedes any and all previous compensation plan policies for Greenwood County.		

In an effort to ensure the Citizens were able to obtain the services that they desired and to provide a mechanism to finance same the South Carolina General Assembly developed and authorized Counties to approve Special Tax Districts. In the South Carolina Code of Laws, Section 4-9-30, the powers and duties of the interested parties are enumerated. It is the intent of this policy to outline the duties, requirements, and procedure by which Special Tax Districts in Greenwood County will function.

PROCEDURE:

A. Creation of a Special Tax District

Special Tax Districts will be created in one of three ways:

1. Fifteen percent of the electors (registered voters) who reside in the proposed designated tax district may petition the Greenwood County Council to declare either a special election or place the special tax district on the ballot for the next general election. The election will determine whether to create the special tax district, what services it will provide and what will be the maximum level of taxes it can levy. If a majority of electors in the proposed district support its creation and empowerment, the Greenwood County Council will be obligated to create the special tax district by ordinance.
2. When a petition is submitted to the Greenwood County Council signed by seventy-five percent or more of the resident freeholders who own at least seventy-five percent of the assessed valuation of real property in the proposed special tax district, the Greenwood County Council upon certification of the petition may pass an ordinance establishing the special tax district. For the purposes of this item, "freeholder" has the same meaning as defined in Section 5-3-240. The petition must contain a designation of the boundaries of the proposed special tax district, the nature of the services to be rendered, and the maximum level of the taxes or user service charges, or both, authorized to be levied and collected.
3. When the area of the proposed special tax district consists of the entire unincorporated area of the county, County Council may pass an ordinance establishing a special tax district, subject to the requirements of S.C. Code Ann. § 4-9-30(5)(a)(iii).

To activate one of these three procedures contact the Treasurer of Greenwood County for guidance.

B. Appointment of Board Members

1. Each special tax district will be governed by a three (3) member commission of which the individual members are approved by the Greenwood County Council. The Greenwood County Council will entertain, yet not be obligated to approve, the nominations of the special tax district and can approve any individual that is eligible to serve on the governing board.
2. At the inception of the special tax district the three member commission will be appointed to staggered terms of 2, 3, and 4 years to ensure continuity of operations. After the first series of appointments all subsequent appoints will be for four (4) year terms.
3. Upon the expiration of their term of office a commissioner shall continue to serve until his/her successor is appointed and confirmed by the Greenwood County Council.
4. In the months of both April and October of each year, or sooner if necessary, all special tax districts are required to report to the Treasurer of Greenwood County any vacancies that have occurred and/or any terms of office that are scheduled to expire during the next six (6) months.
5. Each commissioner serves at the pleasure of the Greenwood County Council, as a body politic, and may be removed by the Greenwood County Council at any time for any reason deemed sufficient by the County Council.
6. The Special Tax Districts Commissioners shall not receive compensation in any form, including but not limited to monetary compensation, for the performance of their duties.

C. Operations

1. All special tax districts may provide services exclusively by and through the duly appointed commissioners, as a body politic, as authorized by Section 4-9-30 (5) of the Code of Laws of South Carolina. Special Tax Districts that employ professional service providers, to perform the above referenced duties, must give special attention to ensure that these providers have Worker's Compensation Coverage. If it is later determined that they do not have coverage the County will debit the Special Tax District account to cover this cost.
2. Each special tax district is required to annually hold, at a minimum, one meeting of the residents that is advertised in the community. This meeting must detail all tax money received, projects that have been or will be completed in the current budget year, money spent, amount of available fund balance, and the amount of taxes that will be requested to be collected by Greenwood County in the next budget year.
3. During the Greenwood County budget preparation cycle, typically beginning in March through June of each year, each special tax district will be required to present, in writing to Greenwood County Council and attested to by all commissioners, the following: all tax money received, projects that have been or

will be completed in the current budget year, money spent, amount of available fund balance and the amount of taxes that will be requested to be collected by Greenwood County in the next budget year.

If a Special Tax District does not make the above listed required presentation to Greenwood County Council during the budget preparation cycle a process to end all payments will begin. The process to end payments applies to all Special Tax Districts unless they have fully complied with the process outlined in Greenwood County Policy 10.5, Section D, Dissolution. This process will consist of the County Councilmember, which represents the Special Tax District, will attempt to make contact with the Commissioners. If unsuccessful the County will send certified letters to the most recent Tax Commissioners for the Special Tax District. Additionally, either a sign will be placed in a heavily traveled common area of the Special Tax District or letters will be sent to each residence in the Special Tax District. If after these attempts to gain compliance are deemed to be ineffective at achieving compliance Greenwood County Council will vote on the question of suspending all future payments until the requirements of this policy are realized.

4. Pursuant to Section 4-9-30 (5) (e) of the South Carolina Code of Laws, the Greenwood County Council may by ordinance diminish the boundaries of or abolish a special tax district. To perform this task the Greenwood County Council must first conduct a public hearing, notice of the hearing must be given in the format that is prescribed in the South Carolina Code of Laws for all public hearings of a county council.
5. While there will not be an enumerated cap placed on the amount of money that any one special tax district can have in their fund balance; the amount of fund balance retained will be a factor used in determining the amount of money that is approved for collection during the budget process.
6. In an effort to avoid the taxpayers of Greenwood County, that are not subject to a particular special tax district, being required to subsidize the expenditures in a specific special tax district, the Greenwood County Council reaffirms its authority to implement assessments if it appears likely that a tax district will create a negative financial balance at any point during a budget year.
7. If the Greenwood County Council is presented with sufficient evidence, in their sole opinion, that a specific special tax district has in fact entered into a negative financial balance the County Council will retain the opportunity to discontinue the payment for all services to the specific special tax district until sufficient funding has materialized.
8. In a further effort to avoid the taxpayers of Greenwood County, that are not subject to a particular special tax district, being required to subsidize the administrative costs of special tax districts, the Greenwood County Council, under its authority in Section 4-9-30(f), will charge a fee for each lot within active special tax districts. A special tax district is considered active and subject to the fee if the County has collected assessments for and/or paid any bills for in the prior or current fiscal year. This fee is to be set annually and included in the master fee schedule as part of the Council budgetary process.

D. Dissolution

1. Although special tax districts can provide a valuable service to the residents of their community there are circumstances in which their value will come to an end.
2. If a special tax district votes to become inactive it is imperative that this information be conveyed to the Treasurer of Greenwood County immediately. Upon the decision to become inactive the Treasurer of Greenwood County Council will verify that this is the desire of the residents of the community, via a direct mailing to all known property owners of the district. Once the Treasurer is satisfied that the decision to inactivate the special tax district is valid he/she will relay this information to the Greenwood County Council.
3. If there are funds remaining that are not designated for a legitimate use or expenditure at the time that the decision to become inactive is approved by the commissioners of a special tax district there will be two options for the disbursement of funding:
 - a) The funding will be held by Greenwood County and upon a vote of all eligible residents, the duly appointed commissioners will have 365 days from the date that Greenwood County Council is notified of the special tax district's intent to become inactive to spend the money on legitimate projects in the district and/or
 - b) If after 365th day that the Greenwood County Council has been notified of the special tax district's intent to disband there are funds remaining and the Greenwood County Council does not believe that there is a plan to spend the money for approved purposes within the district, the Greenwood County Council shall vote to appropriate the remaining funds to a non-profit community enrichment organization that serves Greenwood County residents.

E. Summation

Commissioners of special tax districts are appointed by the Greenwood County Council under the belief that they will act as stewards of the residents' money; performing task that are beneficial to the community at large. Attempts to enrich themselves, in any form or capacity, will be viewed harshly by the Greenwood County Council.

While this policy is intended to be comprehensive in documenting the processes that are to be followed for the establishment and operation of a special tax district it cannot adequately document every possible concern or situation. For situations that arise outside the scope of this policy the Greenwood County Council will take these on a case-by-case basis.